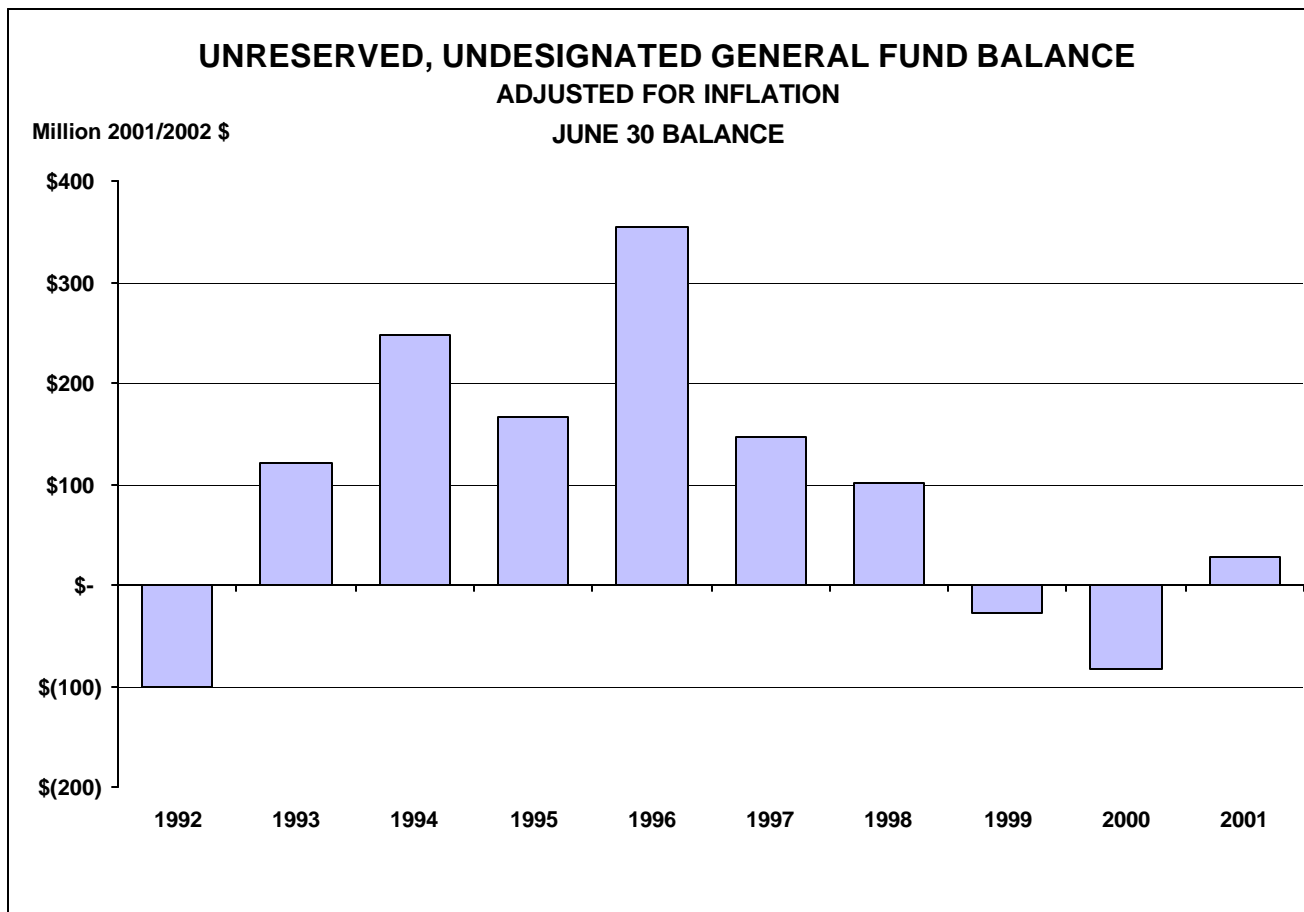


**STATE OF LOUISIANA  
COMPARATIVE STATEMENT  
FISCAL YEARS 2000/2001 THROUGH 2002/2003**

	ACTUAL <u>2000/2001</u>	EXISTING AS OF 12/20/01 (1) <u>2001/2002</u>	EXECUTIVE BUDGET <u>2002/2003</u>	SUPPLEMENTARY RECOMMENDATION <u>2002/2003</u>	TOTAL RECOMMENDATION <u>2002/2003</u>
REVENUE					
AVAILABLE GENERAL FUND REVENUE	\$6,530,000,000	\$6,463,700,000	\$5,927,900,000	\$587,509,800	\$6,515,409,800
GENERAL FUND CARRY-FORWARD	22,560,531	12,723,295	0	0	0
ECONOMIC DEVELOPMENT FUND TRANSFER	962,000	0	0	0	0
DEFICIT ELIMINATION FUND	(185,000,000)	0	0	0	0
PRIOR YEAR GENERAL FUND NON-RECURRING REVENUE (2)	0	0	120,713,250	0	120,713,250
SELF-GENERATED REVENUE	1,131,863,636	1,082,523,748	1,075,989,635	11,617,991	1,087,607,624
STATUTORY DEDICATIONS	2,003,856,438	2,790,618,590	2,337,382,561	34,398,283	2,371,780,844
FEDERAL	4,713,910,763	5,799,911,824	4,472,107,883	1,115,869,446	5,587,977,329
TOTAL FUNDS AVAILABLE	<u>\$14,218,153,368</u>	<u>\$16,149,477,457</u>	<u>\$13,934,093,329</u>	<u>\$1,749,395,520</u>	<u>\$15,683,488,849</u>
EXPENDITURES					
GENERAL APPROPRIATIONS BILL	\$12,693,153,504	\$14,633,662,939	\$12,252,457,481	\$1,749,395,520	\$14,001,853,000
ANCILLARY APPROPRIATIONS	81,865,651	8,593,359	7,054,594	0	7,054,594
NON-APPROPRIATED REQUIREMENTS	422,175,413	473,333,295	503,381,422	0	503,381,422
JUDICIAL EXPENSE	78,411,580	87,273,327	87,959,371	0	87,959,371
LEGISLATIVE EXPENSE	56,925,990	58,534,049	58,908,917	0	58,908,917
SPECIAL ACTS	19,745,982	0	0	0	0
CAPITAL OUTLAY	776,140,696	837,614,447	1,024,331,544	0	1,024,331,544
TOTAL EXPENDITURES	<u>\$14,128,418,816</u>	<u>\$16,099,011,416</u>	<u>\$13,934,093,329</u>	<u>\$1,749,395,520</u>	<u>\$15,683,488,849</u>
FUNDS LESS EXPENDITURES	<u>\$89,734,552</u>	<u>\$50,466,041</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
UNDESIGNATED GENERAL FUND BEGINNING BALANCE	<u>(\$80,645,000)</u>		<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
FUNDS LESS EXPENDITURES	\$89,734,552	\$50,466,041	\$0	\$0	\$0
CAFR FUND BALANCE RECONCILIATION	18,161,448	0	0	0	0
ANTICIPATED CONTINGENCY FUNDING	0	(500,000)	0	0	0
UNDESIGNATED GENERAL FUND ENDING BALANCE	<u>\$27,251,000</u>	<u>\$49,966,041</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
BUDGET STABILIZATION FUND ENDING BALANCE	<u>\$197,271,000</u>				

(1) The Existing Operating Budget column for FY 2001 - 2002 reflects the Official Revenue Forecast from the 1/07/02 meeting of the Revenue Estimating Conference (REC).

(2) Non-recurring revenue consists of \$100,275,000 from the FY 2001 - 2002 tax amnesty program and \$20,438,250 from the 6/30/01 general fund balance. In accordance with Act 1092 of the 2001 Regular Session, the REC may adopt an amount that differs from the \$20,438,250.



**STATE OF LOUISIANA**  
**COMPARATIVE STATEMENT OF OFFICIAL REVENUE FORECASTS AND ACTUAL REVENUE**  
**FISCAL YEARS 1997/98 THROUGH 2002/2003 (IN MILLION \$)**

	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	FORECAST	FORECAST			ANNUAL GROWTH DURING					
February, 2002	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	96/97	97/98	98/99	99/00	00/01	01/02	02/03	
							1/7/02	1/7/02								
Alcoholic Beverage Tax	16.0	15.6	16.1	13.7	16.4	15.9	15.7	15.6	-2.5%	3.2%	-15.2%	20.2%	-3.4%	-1.1%	-0.6%	
Beer Tax	36.9	34.4	36.2	36.5	38.5	36.5	36.3	36.6	-6.8%	5.1%	0.9%	5.5%	-5.1%	-0.6%	0.8%	
Corporate Franchise Tax	233.5	244.0	251.2	296.5	269.4	248.6	250.0	272.0	4.5%	3.0%	18.0%	-9.1%	-7.7%	0.6%	8.8%	
Corporate Income Tax	327.5	380.2	359.5	286.3	222.0	293.1	173.8	189.6	16.1%	-5.4%	-20.4%	-22.5%	32.0%	-40.7%	9.1%	
Corporate Total	561.1	624.1	610.7	582.8	491.4	541.6	423.8	461.6	11.2%	-2.2%	-4.6%	-15.7%	10.2%	-21.8%	8.9%	
Gasoline Tax	405.3	397.5	423.7	427.3	434.4	423.8	430.0	437.0	-1.9%	6.6%	0.8%	1.7%	-2.4%	1.5%	1.6%	
Gift Tax	3.5	3.8	5.3	9.2	5.1	4.6	5.5	5.4	9.4%	37.6%	75.4%	-44.4%	-11.1%	20.4%	-1.8%	
Hazardous Waste Tax	4.8	5.5	4.4	4.3	3.7	4.8	4.8	4.8	15.6%	-20.3%	-2.2%	-14.9%	30.9%	0.0%	0.0%	
Individual Income Tax	1165.2	1273.2	1459.6	1535.6	1594.8	1763.2	1832.9	1788.6	9.3%	14.6%	5.2%	3.9%	10.6%	4.0%	-2.4%	
Inheritance Tax	54.8	73.9	84.5	86.7	90.4	78.4	67.0	55.0	34.8%	14.4%	2.6%	4.3%	-13.3%	-14.5%	-17.9%	
Natural Gas Franchise Tax	7.6	6.3	7.6	7.7	10.0	6.4	6.0	6.0	-16.8%	20.6%	1.1%	30.2%	-35.7%	-6.8%	0.0%	
Public Utilities	6.8	2.6	2.7	6.1	2.3	2.6	3.0	3.0	-61.1%	1.7%	129.7%	-62.8%	15.1%	14.1%	0.0%	
Auto Rental Excise	4.1	3.7	4.2	4.2	4.5	4.8	4.5	0.0	-10.1%	12.7%	0.2%	8.7%	5.9%	-6.3%	-100.0%	
Sales Tax	1952.4	1980.4	2010.5	2029.9	2089.2	2436.1	2452.6	2078.5	1.4%	1.5%	1.0%	2.9%	16.6%	0.7%	-15.3%	
Severance Tax	349.1	419.4	352.1	261.3	405.5	445.0	468.0	335.0	20.2%	-16.0%	-25.8%	55.2%	9.7%	5.2%	-28.4%	
Special Fuels Tax	96.8	97.1	107.2	109.3	115.5	115.0	119.0	121.0	0.3%	10.5%	1.9%	5.7%	-0.5%	3.5%	1.7%	
Supervision&Inspection Fees	3.9	4.3	4.1	4.1	4.8	5.3	5.8	5.8	8.7%	-3.5%	0.5%	15.1%	11.2%	9.5%	0.0%	
Tobacco Tax	87.9	88.3	87.2	85.5	89.7	96.6	103.2	87.8	0.4%	-1.2%	-2.0%	4.9%	7.7%	6.8%	-14.9%	
Unknown Owners	11.4	10.5	9.6	12.2	13.1	20.3	12.5	12.5	-8.3%	-8.1%	26.1%	7.4%	55.4%	-38.4%	0.0%	
Miscellaneous Receipts	8.4	6.3	1.8	1.8	1.8	1.9	1.9	1.9	-24.8%	-72.0%	1.6%	0.4%	5.0%	0.3%	0.0%	
TOTAL REVENUE DEPT	4775.9	5047.0	5227.4	5218.2	5,411.1	6002.9	5992.5	5456.1	5.7%	3.6%	-0.2%	3.7%	10.9%	-0.2%	-9.0%	
Royalties	273.3	290.1	233.0	166.6	267.0	452.62	224.0	223.0	6.2%	-19.7%	-28.5%	60.3%	69.5%	-50.5%	-0.4%	
Rentals	15.6	20.7	28.4	22.5	14.8	12.25	12.3	12.3	32.2%	37.4%	-20.6%	-34.2%	-17.4%	0.4%	0.0%	
Bonuses	35.2	53.2	40.4	18.5	23.275	31.05	20.0	25.0	51.1%	-24.0%	-54.3%	25.8%	33.4%	-35.6%	25.0%	
Royalty Interest	5.2	4.5	2.4	3.2	1.5	2.9	2.9	2.9	-13.2%	-45.8%	29.4%	-52.1%	89.3%	1.4%	0.0%	
TOTAL MINERAL BOARD	329.4	368.5	304.3	210.8	306.7	498.8	259.10	263.2	11.9%	-17.4%	-30.7%	45.5%	62.7%	-48.1%	1.6%	
Interest on Investments	38.2	56.1	80.9	75.3	52.1	31.4	38.0	26.0	47.0%	44.2%	-6.9%	-30.8%	-39.7%	21.1%	-31.6%	
Interest Earnings (TTF)						10.5	7.0	5.0						-33.3%	-28.6%	
Various Agency Receipts INA	19.4	12.4	14.7	18.8	28.1	24.0	24.0	24.0	-36.1%	18.4%	27.9%	49.5%	-14.8%	0.2%	0.0%	
Agency SGR Over-collections	6.1	7.9	7.7	13.2	14.6	15.0	15.0	15.0	27.9%	-1.8%	71.8%	10.3%	2.5%	0.1%	0.0%	
Bond Reimbursements	31.9	30.5	27.8	26.6	23.6	22.1	13.9	13.0	-4.4%	-8.9%	-4.2%	-11.4%	-6.2%	-37.2%	-6.5%	
Education Support Fund	51.6	59.8	59.0	57.2	55.7	66.7	48.7	41.6	15.9%	-1.3%	-3.1%	-2.6%	19.7%	-27.0%	-14.6%	
Lottery	111.0	100.1	105.4	113.7	96.2	103.3	112.7	98.0	-9.8%	5.2%	7.9%	-15.4%	7.3%	9.1%	-13.0%	
Land Based Casino	13.4	0.0	0.0	3.5	61.7	82.3	52.5	60.0	-100.0%			1639.2%	33.4%	-36.2%	14.3%	
Tobacco Settlement					186.6	141.4	172.1	20.5					-24.2%	21.7%	-88.1%	

Provider Fees	71.1	72.4	73.6	81.2	86.0	91.4	91.4	91.4	1.8%	1.6%	10.3%	5.9%	6.3%	0.0%	0.0%
TOTAL TREASURY	342.7	339.2	369.1	389.5	604.6	588.0	575.3	394.5	-1.0%	8.8%	5.6%	55.2%	-2.7%	-2.2%	-31.4%
Excise License Tax	153.0	139.8	111.6	112.1	103.0	108.2	114.0	125.0	-8.6%	-20.1%	0.4%	-8.1%	5.1%	5.4%	9.6%
Insurance Fees	26.0	28.8	29.9	30.9	32.0	31.7	32.3	32.3	10.8%	3.8%	3.4%	3.5%	-0.9%	2.0%	0.0%
TOTAL INSURANCE	179.0	168.6	141.5	143.0	134.9	139.9	146.3	157.3	-5.8%	-16.0%	1.0%	-5.6%	3.6%	4.6%	7.5%
Misc Public Safety/ABP	11.4	9.7	12.8	11.6	10.4	10.4	10.4	10.4	-14.7%	31.1%	-9.2%	-10.0%	-0.5%	0.1%	0.0%
Certificate of Title	20.6	20.0	20.8	21.0	20.6	20.7	22.1	22.7	-2.7%	3.9%	0.8%	-1.5%	0.3%	6.7%	2.7%
Motor Vehicle License	73.5	73.4	77.6	80.0	86.8	83.0	84.0	86.1	-0.1%	5.7%	3.0%	8.5%	-4.4%	1.2%	2.5%
Motor Vehicle Sales	259.1	248.8	262.9	269.0	257.0	267.9	280.0	287.0	-4.0%	5.7%	2.3%	-4.5%	4.3%	4.5%	2.5%
Riverboat Gaming	220.7	236.6	239.0	260.2	269.7	297.0	329.2	348.0	7.2%	1.0%	8.9%	3.6%	10.1%	10.8%	5.7%
Racetrack Slots					0.0	0.0	0.0	0.0							
Video Poker	175.0	183.6	194.2	199.0	144.9	154.9	160.0	165.0	4.9%	5.8%	2.5%	-27.2%	6.9%	3.3%	3.1%
TOTAL PUBLIC SAFETY	760.3	772.1	807.2	840.8	789.4	833.9	885.7	919.2	1.6%	4.5%	4.2%	-6.1%	5.6%	6.2%	3.8%
Total Taxes Licenses & Fees	6387.3	6695.5	6849.5	6802.3	7,246.7	8063.4	7858.9	7190.3	4.8%	2.3%	-0.7%	6.5%	11.3%	-2.5%	-8.5%
							1424.7	1262.3							

Dedications

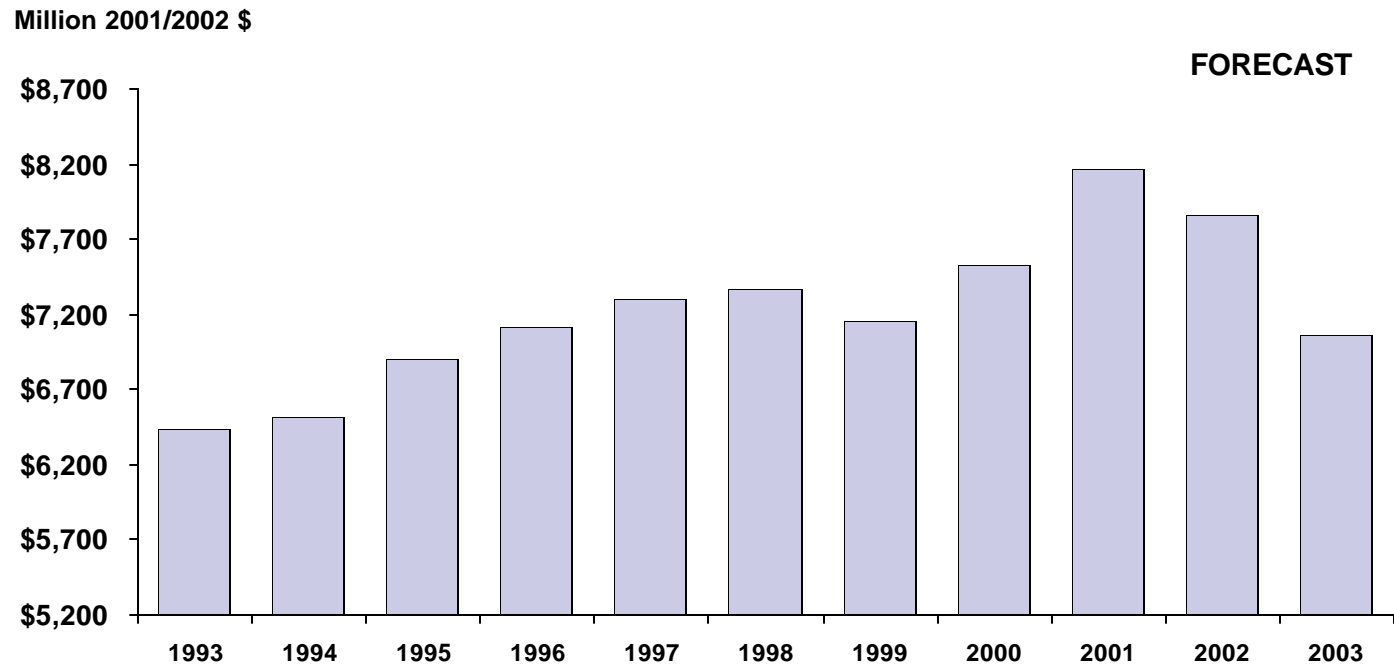
Fund/Revenue Source	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	96/97	97/98	98/99	99/00	00/01	01/02	02/03
Port of N O	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Trans Trust/fuels	401.2	395.2	424.3	428.8	439.4	430.5	438.7	445.9	-1.5%	7.4%	1.1%	2.5%	-2.0%	1.9%	1.6%
Trans Trust/mot veh lic	29.3	28.9	30.8	31.1	34.2	33.884	33.30	34.2	-1.4%	6.6%	1.3%	9.9%	-1.0%	-1.7%	2.7%
Trans Trust/sales jet fuel	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Trans Trust/interest & fees			17.7	14.6	13.4	11.5	8.4	6.4			-17.7%	-8.1%	-14.2%	-27.0%	-23.8%
TIME/fuels	100.3	98.9	106.2	107.3	109.9	107.7	109.8	111.6	-1.4%	7.3%	1.1%	2.4%	-2.0%	2.0%	1.6%
H F #2/mot veh lic	9.5	9.4	10.1	10.4	10.4	9.6	9.7	9.9	-1.0%	7.2%	3.1%	-0.2%	-7.7%	1.0%	2.5%
Parishes/severance	30.6	31.3	30.9	29.8	49.6	39.4	45.9	36.2	2.0%	-1.2%	-3.4%	66.4%	-20.7%	16.6%	-21.1%
Forest Productivity				3.7	4.0	3.3	3.4	3.4				9.8%	-16.9%	1.8%	0.0%
Parishes/royalties	25.6	29.0	23.3	16.7	26.7	45.3	22.4	22.3	13.3%	-19.7%	-28.5%	60.3%	69.5%	-50.5%	-0.4%
Legal Support,MRA&Coll	1.0	1.0	1.1	0.7	1.2	0.2	0.0	0.0	0.0%	12.4%	-36.6%	67.0%	-80.3%	-100.0%	0.0%
Wetlands Cons&Rstr	15.0	25.0	5.0	5.0	15.0	25.0	21.0	15.6	66.7%	-80.0%	0.0%	200.0%	66.7%	-16.0%	-25.7%
Mineral Revenue Audit & Set.	45.0	0.0	0.0	0.0	8.7	11.3	0.0	0.0	-100.0%				30.2%	-100.0%	0.0%
Education Support Fund	51.6	59.8	59.0	57.2	55.7	66.7	48.7	41.6	15.9%	-1.3%	-3.1%	-2.6%	19.7%	-27.0%	-14.6%
Workforce Dev Fd/sales	8.8	9.2	9.3	9.3	11.3	13.7	13.0	11.2	5.5%	0.3%	0.6%	21.5%	21.1%	-5.1%	-13.8%
Telephone Property Relief					0.0	5.0	0.0	0.0							0.0%
2% Fire Insurance/exc	7.5	8.0	8.3	8.7	8.7	9.1	9.1	9.1	6.1%	4.0%	4.8%	-0.4%	5.0%	0.0%	0.0%
Fire Marshall/exc	5.4	5.8	6.1	6.4	6.4	6.7	6.7	6.7	7.1%	4.4%	5.2%	0.3%	5.0%	-0.1%	0.0%

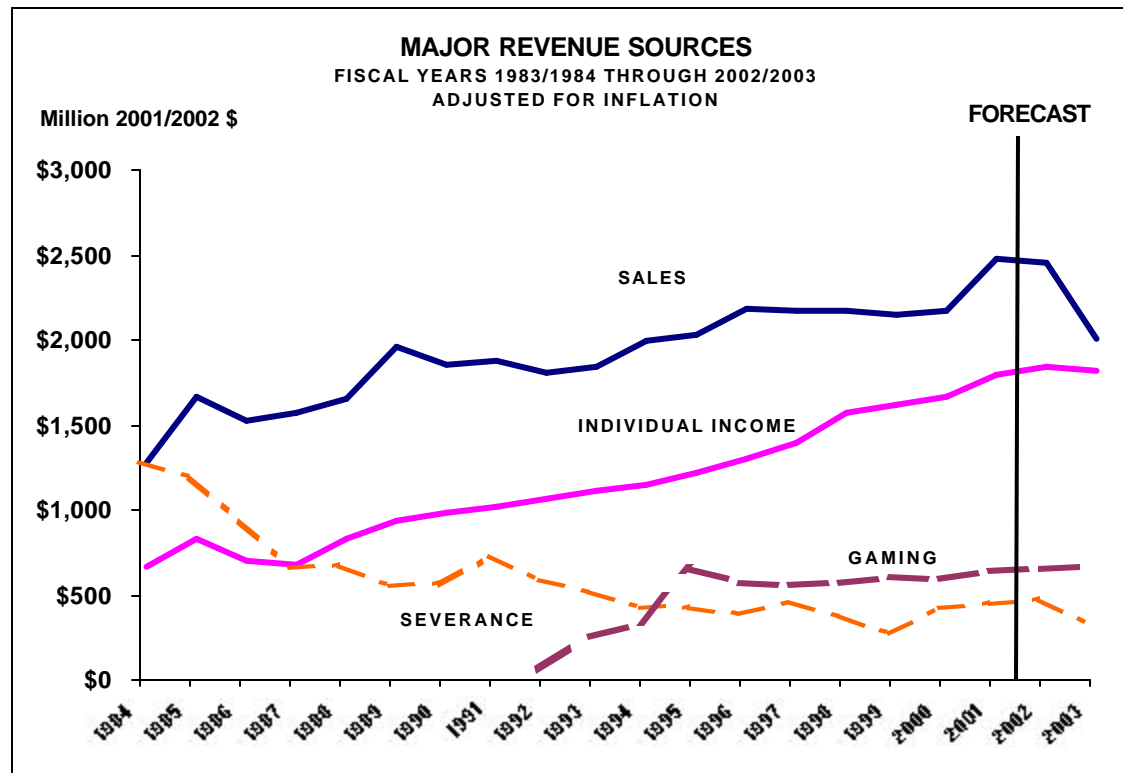
LSU Fireman Tr./exc	1.1	1.2	1.2	1.3	1.3	1.3	1.3	1.3	7.4%	4.4%	5.2%	0.3%	1.7%	0.0%	0.0%
Budget Stabilization					34.1	133.0	0.0	0.0					289.7%	-100.0%	0.0%
Tourism Promo Dist/sal	12.0	15.0	15.0	16.0	16.0	16.5	17.0	14.2	25.0%	0.0%	6.7%	0.0%	3.1%	3.0%	-16.5%
Haz Waste Site	1.2	1.4	1.1	4.3	3.7	4.8	4.8	4.8	11.6%	-20.3%	291.2%	-14.9%	30.9%	0.0%	0.0%
Retirement Systems/ins	14.2	11.2	13.5	9.9	13.6	24.0	32.3	32.3	-21.4%	20.7%	-26.5%	37.3%	76.6%	34.6%	0.0%
Bond Reimbursements	20.7	19.5	17.5	17.0	13.2	11.7	5.7	5.4	-5.6%	-10.5%	-2.5%	-22.4%	-11.2%	-51.3%	-5.3%
Video Poker	52.5	51.9	54.5	56.6	42.3	44.6	46.8	48.2	-1.2%	5.0%	3.8%	-25.2%	5.5%	4.8%	3.0%
Racetrack Slots					0.0	0.0	0.0	0.0							0.0%
Lottery	111.0	100.1	105.4	113.7	95.7	102.8	112.2	97.5	-9.8%	5.2%	7.9%	-15.8%	7.4%	9.1%	-13.1%
Casino Gaming Proceeds	12.0	0.0	0.0	3.5	41.3	47.3	0.0	0.0	-100.0%			1064.2%	14.5%	-100.0%	0.0%
SELF Fund						25.7	103.0	118.0							14.6%
Riverboat Gaming	44.7	47.1	48.0	53.0	55.7	56.4	53.8	60.4	5.4%	1.9%	10.4%	5.1%	1.2%	-4.6%	12.3%
Compulsive & Problem Gaming	0.3	0.3	0.3	1.0	2.0	2.0	2.0	2.0	0.0%	0.0%	233.3%	100.0%	0.0%	0.0%	0.0%
Supervision&Inspection Fees	3.9	4.3	4.1	4.1	4.8	5.3	5.8	5.8	8.7%	-3.5%	0.5%	15.1%	11.2%	9.5%	0.0%
Inspection Gasoline Fee				0.8	0.7	0.8	0.9	0.9				-14.5%	16.0%	8.4%	0.0%
Louisiana & Tobacco Funds					176.8	141.4	172.1	20.5					-20.0%	21.7%	-88.1%
Other	148.9	5.0	0.0	0.0	0.0	0.0	0.0	0.0	-96.6%						
Provider Fees	71.1	72.4	73.6	81.2	86.0	91.4	91.4	91.4	1.8%	1.6%	10.3%	5.9%	6.3%	0.0%	0.0%
Total Dedications	1229.9	1036.2	1071.5	1097.6	1,387.3	1533.4	1424.7	1262.3	-15.8%	3.4%	2.4%	26.4%	10.5%	-7.1%	-11.4%
Amnesty collections est.							158.0								
Revenue settlement (Riverwood)							29.5								
Fund Balance Transfer			10.0	9.1	3.4						-9.2%	-62.1%			
GENERAL FUND REVENUE	5157.3	5659.3	5788.0	5713.8	5,862.8	6,530.0	6463.7	5928.0	9.7%	2.3%	-1.3%	2.6%	11.4%	-1.0%	-8.3%

## TAXES, LICENSES AND FEES

Fiscal Years 1992/1993 - 2002/2003

ADJUSTED FOR INFLATION





**State of Louisiana  
Economic Assumptions and Revenue Forecasts  
for Fiscal Years 2001/2002 and 2002/2003**

**Economic Outlook**

The United States economy, stunned by the events of September 11, 2001, had already entered a downturn in productivity and employment. Manufacturing had already entered a recession and the only bright spot was the growth in personal consumption spending. However, immediately following the events of September 11<sup>th</sup>, consumer retail sales and light vehicle sales declined, further contracting business investment plans. Real gross domestic product declined at an annual rate of 1.1% in the third quarter, and declines in the 1.6% to 2% range are forecast through the first quarter of 2002. Positive growth is projected to resume in the second quarter of 2002. U.S. employment is expected to decline for 2002 and return to a small, but positive growth in 2003.

**Louisiana Employment**

Louisiana employment has grown for fourteen consecutive years and has grown faster than the nation's during eight of those years. Louisiana's annual average employment growth since 1988 is 1.95%, while that of the United States is 1.99%. State economic growth is expected to decline by .4% during 2002 and remain flat for 2003.

Since 1986/87, Louisiana employment has increased by, approximately, 459,680. The service sector, led by the business sector and amusement and recreation industry, has provided the greatest increase in additional jobs. Construction and retail trade have also contributed significantly to the employment gains. Manufacturing, transportation, communication and public utilities, as well as the government sector have declined in total employment since 1993. The table below illustrates the status of employment by sectors, as of December 2001.

Louisiana Employment  
In Thousands

As of December 2001

Total Non-Agricultural	1,955.3
Services	546.5
Wholesale/Retail Trade	467.6
Government	377.0
Manufacturing	176.7
Construction	136.3
Transportation, Communications & Public Utilities	114.1
Finance, Insurance & Real Estate	86.6
Mining	50.5

**Louisiana Personal Income**

Louisiana's personal income is projected to increase by 2.035% and 3.37%, respectively during fiscal years 2001/2002 and 2002/2003. Louisiana income growth during the 90s has approximated 5.19%.



## Revenue Summary

### Fiscal Year 2000/2001

Available general fund revenue was \$5,530 million in fiscal year 2000/01. Available general fund revenue increased by \$667.2 million, which was 11.4% more than 1999/00. The following table ranks the revenue sources with the largest percentage growth and at least a \$10 million increase over the prior year during fiscal year 2000/01.

Revenue Source	Growth in Million \$	Growth in %
Royalties	185.6	69.5
Sales	346.9	16.6
Individual income	168.4	10.6
Corporate income and franchise	50.2	0.2
Riverboat gaming	27.3	0.1
Severance	39.5	9.7
Video Poker	10.0	6.9

Severance and royalties increased because of an overall increase in prices of oil and gas and increased activities in this sector. The State economy experienced a strong increase in individual income and sales revenues due to changes in tax laws.

The following table ranks the revenue sources with the largest annual percentage declines and at least a \$10 million decline during fiscal year 2000/01.

Revenue Source	Growth in Million \$	Growth in %
Interest	- 20.7	- 40
Tobacco Settlement	- 45.2	- 24
Inheritance Tax	- 12.0	- 13

Decline in the interest is due to lower investment balances in the State Treasury. The decrease in inheritance revenues is due to legislation authorized in 1997, which phases out the state's share of the inheritance tax.

### Fiscal Year 2001/2002

The Revenue Estimating Conference's official forecast of available general fund revenue is \$6,463.7 million for the fiscal year 2001/02. The forecast is \$66.3 million or 1% below actual collections for fiscal year 2000/01. The following table ranks the revenue sources with the largest expected annual percentage changes, which are expected to change by at least \$10 million during fiscal year 2001/02.

Revenue Source	Growth in Million \$	Growth in %
Tobacco Settlement	30.7	22.0
Severance	23.0	5.2
Individual income	69.7	4.0
Sales	16.5	.7

The increase in tobacco revenue projections is due to the securitization of the tobacco proceeds and the forecast only estimates funds that are available for expenditure. The increase in sales and income taxes are due primarily to the large growth in the respective revenue bases from the previous year. Severance revenues also reflect the higher oil and gas prices from the previous year.

Revenue Source	Growth in Million \$	Growth in %
Royalties	- 228.6	-50.5
Land Based Casino	- 29.8	-36.2
Bonuses	- 11.1	-35.6
Corporate Income	- 89.8	-30.6
Educational Support Fund	- 18.0	-27.0
Inheritance	- 11.4	-14.5

Declining inheritance taxes are due to the decline in the stock market during most of calendar year 2001 and also the continued phasing out of the state tax. The decline in land based casino revenues are due to a new contract between the operators of the casino and the State. Lower returns in the educational support fund are due to lower corporate and equity earnings. Lower projections for royalties and bonuses are due to the lower prices for oil and gas and expected lower demand on a national level. Lower corporate income projections are based on lower national economic pressures and also due to the fact that the State offered a tax amnesty program which effected the tax base for recurring revenues.

#### **Fiscal Year 2002/2003**

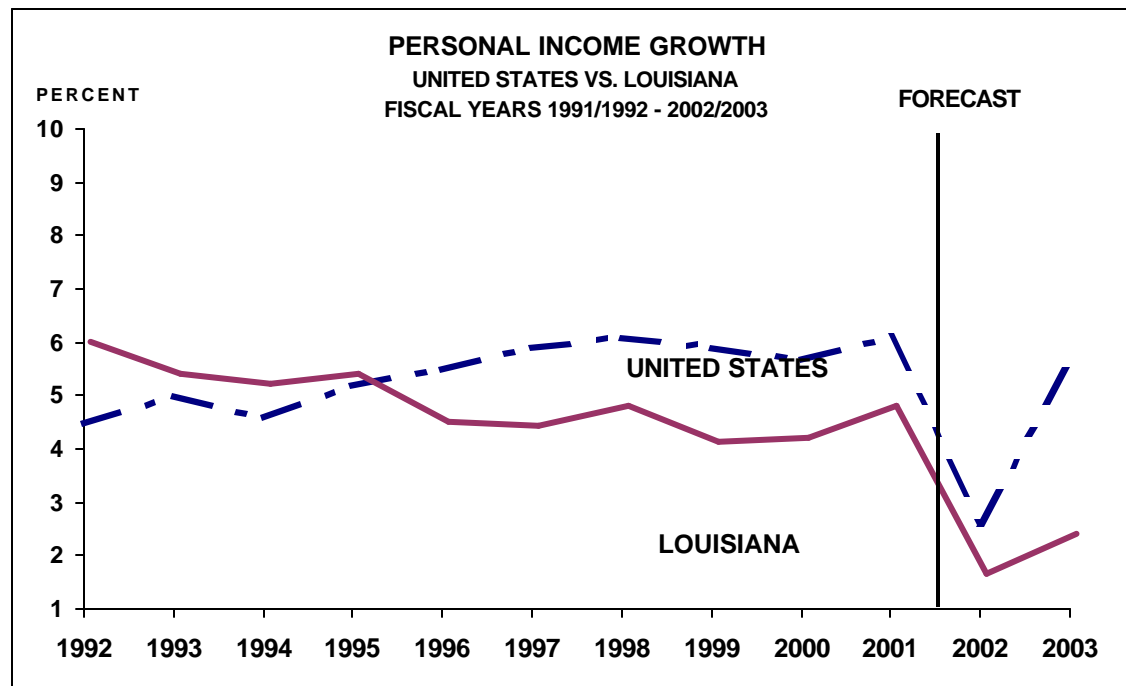
The Revenue Estimating Conference's official forecast of available general fund revenue is \$5927.9 million in fiscal year 2002/2003. The forecast is \$535.8 million or 8.8% below the official forecast for fiscal year 2001/02. This reduction is due to the fact that \$582.3 million in "temporary" taxes expire June 30, 2002 and legally cannot be considered in the official forecast unless renewed. The following table ranks the revenue sources with the largest expected annual percentage changes, which are expected to change by at least \$10 million during fiscal year 2002/2003.

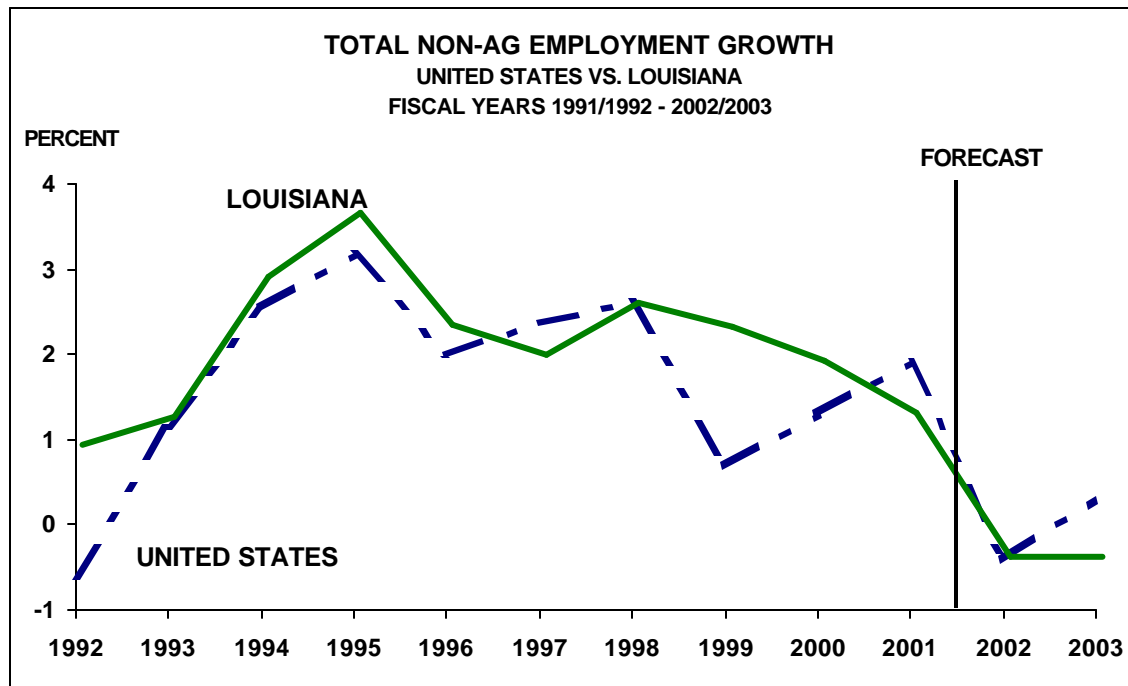
Revenue Source	Growth in Million \$	Growth in %
Corporate income	16.2	9.1
Corporate franchise	22.0	8.8
Riverboat gaming	19.5	5.9

Riverboat gaming is projected to increase due to the increase in the tax rate passed in 2001 to allow dockside gaming.

Revenue Source	Growth in Million \$	Growth in %
Tobacco Settlement	-151.6	-88.1
Interest	-12.0	-31.6
Severance	-133.0	-28.4
Inheritance	-12.0	-17.9
Sales	-373.6	-15.3
Tobacco	-15.4	-14.9
Lottery	-14.7	-13.0

Tobacco settlement revenues reflect the amount that is expendable during the fiscal year and not the total that is earned by the trust funds or paid to the state under the settlement agreement; only the interest earned above inflation is available for appropriation. Lower interest earning are forecast in line with current market rates. Severance is projected to decline due to lower demand and weakness in the natural gas and oil markets and to a lower forecasted severance tax rate. Sales and tobacco decline due to the expiration of taxes and the expiration of the suspension of exemptions for sales taxes. The lottery is not assumed to receive large gains from powerball in 2003.





**LOUISIANA ECONOMIC FORECAST SUMMARY  
BY FISCAL YEAR END JUNE 30**

	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
LOUISIANA INCOME (MILLION \$)										
NOMINAL PERSONAL INCOME	78,227	82,966	86,114	89,977	95,024	98,780	101,773	105,738	107,451	110,030
% CHANGE	5.5	6.1	3.8	4.5	5.6	4.0	3.0	3.9	1.6	2.4
LOUISIANA EMPLOYMENT (IN THOUSANDS)										
TOTAL NONAGRICULTURAL	1,688	1,750	1,792	1,828	1,875	1,893	1,906	1,945	1,937	1,937
% CHANGE	2.9	3.7	2.4	2.0	2.6	1.0	1.0	1.7	-0.4	0.0
MINERAL RELATED ASSUMPTIONS										
OIL PRICE (\$/BBL)	14.91	16.91	17.74	21.30	15.72	12.19	24.29	29.49	20.50	20.50
% CHANGE	-21.0	13.4	4.9	20.1	-26.2	-22.5	99.3	21.4	-30.5	0.0
OIL PRODUCTION (MIL BBL)	132.1	127.2	127.1	127.9	125.9	113.8	107.9	105.9	102.7	99.1
% CHANGE	-5.8	-3.7	-0.1	0.6	-1.6	-9.6	-5.2	-1.9	-3.0	-3.5
NATURAL GAS PRODUCTION (MIL MCF)	1,569	1,540	1,580	1,637	1,596	1,503	1,438	1,503	1,465	1,385
% CHANGE	-4.3	-1.9	2.6	3.6	-2.5	-5.8	-4.3	4.5	-2.5	-5.5
ROYALTY NATURAL GAS PRICE (\$/MCF)	2.27	1.74	2.36	2.58	2.36	1.93	2.74	5.44	2.70	2.80
% CHANGE	15.8	-23.3	35.6	9.3	-8.5	-18.2	42.0	98.5	-50.4	3.7
NATURAL GAS SEVERANCE RATE (CENTS/MCF)	7.5	8.7	7.0	7.7	10.1	9.3	7.8	9.7	19.9	10.0
UNITED STATES REAL GDP % CHANGE	4.0	2.7	3.6	4.4	4.3	4.1	4.1	1.1	1.0	4.0
IMPLICIT PRICE DEFLATOR: TOTAL	2.0	2.4	2.1	2.2	1.4	1.2	2.3	2.5	1.5	2.0
U. S. EMPLOYMENT (IN MILLIONS)	112.26	115.9	118.3	121.1	124.3	127.4	130.5	132.3	131.8	132.2
TOTAL NONAGRICULTURAL % CHANGE	2.6	3.3	2.0	2.4	2.7	2.5	2.5	1.4	-0.4	0.3